

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI**

HELD ON THE TENTH DAY OF SEPTEMBER, 2019

On the tenth day of September, 2019 the Board of Municipal Utilities met in Regular Session at 4:00 P.M. in the Board Room at the Utility office. The following members of the body were present:

Messrs: Brian Menz, Tim Merideth, Bob Smith, Alan Keenan

Absent:

Also Present: J.D. Douglass, City Manager; Gerald Settles, City Council; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Doug Shaw, Ron Priday, Erin Miller of the Utility Staff; Kristen Bright, BKD

There being a quorum present, the following business was transacted:

BKD Audit

Kristen Bright of BKD CPAs and Advisors presented the report on the Independent Auditor's Report and Financial Statements for FYE May 31, 2019. Ms. Bright reviewed the Opinion Letter which rendered a "clean opinion". She reviewed the financial statements associated with the audit and answered questions from the Board. Ms. Bright commended the BMU staff on their thorough preparation and cooperation with BKD auditors.

A motion was made by Tim Merideth to accept the Auditor's Report. The motion was seconded by Bob Smith. A roll call vote was held as follows, Merideth, Smith, Menz, Keenan "Yes" The report was approved.

Action on Agenda

General Manager Rick Landers asked that an item recognizing Bob Smith be added to the Agenda.

A motion was made by Alan Keenan to accept the addition to the agenda. The motion was seconded by Tim Merideth. A roll call vote was held as follows, Merideth, Smith, Menz, Keenan “Yes” The Revised Agenda was approved.

Bob Smith Recognition

Board Chairman, Brian Menz announced that this would be Board Secretary Bob Smith’s last meeting. Smith has served on the Board since being appointed in May 2017. Menz thanked Smith for his service and presented him with an engraved desk plaque.

Action on Monthly Agenda Items

The Chairman asked for a motion to approve the minutes of the Regular Meeting of August 13, 2019. A motion was made by Alan Keenan and seconded by Bob Smith. A roll call vote was held as follows. Keenan, Menz, Merideth, Smith “Yes”. The minutes were approved as presented.

Financial

Finance Manager Marcia Witt presented the financials for July 2019. The electric retail department had net income of \$398,125. Electric Wholesale had net income of \$236,666. The Water Department had a net income of \$40,041. The Sewer Department had a net loss of \$9,976. The sewer lagoon had a net loss of \$1,441. Witt noted that generation was down for the month. Spot sales were also down due to coal conservation measures still in effect.

A motion to approve the report was made by Tim Merideth and was seconded by Bob Smith. The following roll call vote was held. Keenan, Smith, Merideth, Menz “Yes”. The report of the Financial Department was approved.

Retail Operations

Operations Manager Jeff Winders presented the retail operations report.

Electrical crews worked on new service to the new Missouri Delta Medical Center facility on Brunt. Winders gave a delivery update on the transformer for Northeast Substation and the 161kV breaker. Winders reported on an electric outage on August 06, 2019.

Winders reported maximum water usage for the month at 4.158 MGD. He also updated the Board on the status of various DNR issues and permits. Water and sewer crews are doing maintenance on leaks and fire hydrants. The North Wastewater Plant pipe replacement project is ongoing. The tank painting projects were completed August 30, 2019.

Waters Engineering is working on the design and scope of work for the new water plant. Final design should be completed in February 2020.

A motion was made by Alan Keenan to approve the Retail Operations Report. The motion was seconded by Bob Smith and the following roll call vote was held, Merideth, Menz, Smith, Keenan "Yes". The Retail Operations Department Report was approved.

Sikeston Power Station

Mark McGill presented the report from the Sikeston Power Station for July, 2019.

McGill reported three unplanned outages in July. The causes were tube leak in the feedwater heater, bearing vibration and boiler tube leak. The net capacity factor for the month was 69%.

McGill reported that the coal delivery schedule has improved. Two trains are currently running. The unit is in position to cover full load as the market dictates. He reviewed the coal stockpile estimates and daily coal usage. We currently have 81,000 tons on the ground which is a 25-day supply.

McGill reported the status of current projects.

A motion was made by Tim Merideth to approve the SPS Report. The motion was seconded by Alan Keenan and the following roll call vote was held, Keenan, Menz, Merideth, Smith "Yes". The Report for the Sikeston Power Station was approved.

Truck Bids

Operations Manager Jeff Winders presented bids for Electric Department trucks 10, 13, 5 and 55. The low bid for trucks 10 and 33 was submitted by Morlan Dodge of Sikeston. The low bid for trucks 5 and 55 was submitted by Ford Groves of Cape Girardeau.

A motion was made by Alan Keenan to approve the low bids as submitted. The motion was seconded by Bob Smith and the following roll call vote was held, Smith, Merideth, Menz, Keenan "Yes". The motion was approved.

Winders presented bids for Sewer Department truck 33. The low bid was submitted by Warner Truck & Equipment of Dexter.

A motion was made by Alan Keenan to approve the low bid as submitted. The motion was seconded by Bob Smith and the following roll call vote was held, Smith, Merideth, Menz, Keenan "Yes". The motion was approved.

Telehandler Replacement

Mark McGill reviewed the need to replace the Gradall brand telehandler at the Sikeston Power Station. He presented the three bids received. The lowest and best bid was for a Genie

GTH-1256-T4F submitted by Sunbelt Rentals. McGill recommended going with the bid of Sunbelt Rentals.

A motion was made by Alan Keenan to accept the low bid of Sunbelt Rentals. The motion was seconded by Bob Smith and the following roll call vote was held, Smith, Merideth, Menz, Keenan "Yes". The motion was approved.

Skid Steer Purchase

Mark McGill presented bids for a replacement skid steer at the Sikeston Power Station. Three bids were received. The lowest and best bid was submitted by John Deere.

A motion was made by Bob Smith to accept the bid of John Deere. The motion was seconded by Alan Keenan and the following roll call vote was held, Smith, Merideth, Menz, Keenan "Yes". The motion was approved.

Surplus Bucket Truck

Rick Landers reviewed the City of Sikeston's need for a bucket truck to maintain the DPS camera system. The recent purchase of a new bucket truck leaves our old Truck 17 as a surplus truck. Landers proposed donating old Truck 17 to the City of Sikeston.

A motion was made by Alan Keenan to donate Truck 17 to the City of Sikeston. The motion was seconded by Bob Smith and the following roll call vote was held, Smith, Merideth, Menz, Keenan "Yes". The motion was approved.

After the vote City Manager J.D. Douglass expressed the City's sincere appreciation for the donation.

General Manager's Report

Legion Park Fountain – Construction of the fountain has been approved by City Council. Discussed BMU involvement in the construction phase and anticipated daily water usage by the fountain.

Water Plant – In the design phase by Waters and Assoc.

Fiber Project – Reviewed recent meetings and contract status.

AMI – Progress on AMI project. Discussed when to present to City Council.

STEM – BMU will host a meeting on September 17, 2019 with Sikeston R-6 Superintendent Robinson and business / industrial representatives to discuss starting and growing

a STEM program in Sikeston.

Union Negotiations – Contract talks between BMU and IBEW Local 702 will begin soon.

Spot Sales – Update on current market.

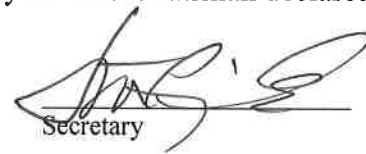
A motion was made by Bob Smith to approve the General Manager’s Report. The motion was seconded by Tim Merideth and the following roll call vote was held, Smith, Merideth, Menz, Keenan “Yes”. The motion was approved.

Executive Session

Chairman Menz cited the need to enter Executive Session. Alan Keenan made a motion to enter Executive Session. The motion was seconded by Bob Smith and the following roll call vote was held. Merideth, Smith, Menz, Keenan “yes”. The Board entered Executive Session.

Adjournment

There being no further business Bob Smith moved to adjourn the meeting. The motion was seconded by Tim Merideth and a roll call vote was held, all yes. The Chairman declared the meeting adjourned


Secretary